

Chapter 5

The Local Economy

INTRODUCTION

From its incorporation, Fremont planned for a strong economy with a diversified employment base in manufacturing, office, wholesale and retail uses. This economic base would provide job opportunities and a range of retail goods for residents and the subregion, thus ensuring a strong tax base necessary for providing services. The City has achieved many of its original objectives, a healthy economy, which includes a strong employment base, a healthy retail sector and a solid tax base. These factors continue to be important to the future of Fremont. This Chapter of the Fremont General Plan sets forth Fremont's strategy for achieving this goal.

This Chapter is divided into three sections:

- Setting. A description of existing economic conditions within the City.
- Projections. Expectations and projections regarding the future that form the base for the City's economic strategy.
- Goals, objectives, policies and implementation measures: the strategy the City will follow to achieve a healthy economic environment.

SETTING

Fremont has a healthy and diversified economy which includes high technology manufacturing and development, as well as the more traditional manufacturing, warehousing and distribution uses. Historically, Fremont's economy has been shaped by its place in the Bay region. In the 1960s, Fremont's 5,400 acres of industrial land attracted an auto assembly plant. The former General Motors plant, now known as New United Motors Manufacturing Inc. (NUMMI), continues to be the largest private employer in Fremont. However, the slow growth of other traditional industries in the Bay Area (and nation-wide) left much of Fremont's industrial land supply vacant until the early 1980s when a new type of industry arrived.

The 1970s marked the beginning of Silicon Valley in Santa Clara County, across the Bay from Fremont. The unexpected and rapid growth of high technology industries in the cities surrounding Stanford University far out-stripped the ability - or desire - of many of those communities to absorb new housing for the employees in those industries. The resulting housing demand spilled into the East Bay, and in particular into Fremont. Fremont's residential land was rapidly developed and fed

commuters to Silicon Valley.

Until the 1980s, the majority of Fremont's employment growth was in businesses providing goods and services to a rapidly increasing residential population. Then, office-based industries spread out of San Francisco and Oakland. At the same time, Silicon Valley industries spread out of the confined and congested areas of the West Bay. Fremont benefitted from both of these trends.

Branch offices located in Fremont's Central Business District, and warehousing moved to Fremont's industrial areas. Fremont's proximity to Silicon Valley attracted a growing number of high technology firms. A 1988 survey found Fremont to be the fastest growing area for the location of high technology firms due to the City's workforce, available sites, new infrastructure and the City government's encouragement of business. Fremont's prime location and available land supply have also attracted distribution and warehouses servicing much of the Bay Area. The city now holds some 25 million square feet of developed space in its industrial areas. With the exception of the vehicle assembly plant (NUMMI), Fremont's major employers are predominantly manufacturers of computer-related electronics.

Jobs

Employment growth in Fremont reflects the patterns of economic development described above. Until 1980, the vast majority of Fremont's employment was in non-manufacturing businesses providing goods and services to the people who lived here. Beginning in 1980 Fremont grew from an estimated 33,710 jobs to 56,800 in 1990 (Table 5-1), with strong growth in the manufacturing and wholesaling sectors. Fremont's proximity to the manufacturing boom occurring in Silicon Valley, the availability of vacant land and good housing values relative to other parts of the Bay Area explain much of this growth.

The service sector has also grown since 1980, although at a slower pace than manufacturing. Fremont has attracted several office developments to its Central Business District. The retail sector has also grown steadily, reflecting the growth in population.

Table 5-1
1980 - 1990 Employment in Fremont

	1980	1990	1980-1990 Change	1980-90 % Change
TOTAL EMPLOYMENT	33,710	55,870	22,160	+ 66%
MFG/WHOLESALE	3,930	11,760	7,830	+ 200%
RETAIL	8,490	14,200	5,710	+ 67%
SERVICES	11,870	17,030	5,160	+ 43%
OTHER	8,290	12,010	3,720	+ 45%
AG/MINING	1,140	870	(270)	- 24%

Source: ABAG, Projections '90

As with any city in the Bay Area, not everyone living in Fremont takes a job here, nor can jobs be reserved for people who live here. As foreseen years ago, the benefits of working close to home are appreciated more today as a greater number

of household members work and as workers spend more time commuting. Working close to home reduces commuting time and the frustrations of congestion, which increases the quality of life of residents. The increasing proportion of two-working parent households also increases the importance of jobs close to home and to children. An additional benefit of working close to home is increased community identification and involvement.

Although statistics are not available for Fremont alone, the 1980 census found that a large proportion -- over 60 percent -- of all Tri-City (Newark, Union City and Fremont) jobs were taken by Tri-City residents. However, because there are considerably more workers living in the Tri-City area than jobs, almost two thirds of Tri-City workers commuted to jobs outside the Tri-City area.

Retail Goods and Services

Fremont was planned to provide a wide variety of retail goods and services for the convenience of its residents. Commercial sales within the City are also important because retail sales tax is a critical source of revenue for the City (see following section).

The average Fremont household has an income 23% higher than for the County as a whole, and 6.7% higher than for the region. A higher average income implies that, on the average, there is more disposable income in Fremont available for commercial goods and services than most other communities of comparable size.

To meet the demand for commercial goods and to provide services, Fremont's commercial land uses are laid out in a hierarchy with smaller neighborhood shopping areas located to be convenient to most neighborhoods, and larger commercial centers providing a wider array of goods in an active, identifiable commercial heart to each of the City's district areas. Finally, a single major shopping and business center has developed in the geographic center of the City with offices, entertainment and governmental facilities. Each element of this hierarchy is described below.

Neighborhood Shopping Areas

Neighborhood shopping areas provide products and services to residents of the immediate neighborhood. They typically include grocery stores, dry cleaners, liquor stores, and video rental stores. By minimizing travel distance between home and shopping, neighborhood shopping areas provide convenient access to frequently needed goods and discourage citywide traffic congestion. Neighborhood centers are generally planned to be of a size and location to provide the number and type of services that are needed by residents and at the same time be feasibly supported by the neighborhood market. The vitality and attractiveness of a neighborhood shopping center enhances the character of the neighborhood. Neighborhood shopping centers are well-suited for pedestrian orientation since they are in close proximity to their customer base.

Fremont neighborhoods by and large are adequately served by neighborhood shopping areas. Some newer shopping centers have supplanted older shopping centers. In parts of Fremont, particularly areas with recent extensive housing development such as Mission San Jose and Warm Springs, additional neighborhood commercial development may be needed.

Community Commercial Centers

The community commercial center provides shopping and entertainment activities to the residents of an adjoining residential community. While a community commercial center may contain neighborhood commercial uses such as grocery stores, it differs from a neighborhood commercial area as it serves a larger area (many neighborhoods rather than one) and provides a greater and a wider range of commercial activities. Typically, community commercial center uses include restaurants, antique stores, apparel stores, professional offices, general merchandise stores, cinemas and health clubs. The community commercial center also serves other important functions: it provides a visual focus and expression of identity for the community, a place for social interaction and community activities.

Seven designated community commercial centers serve Fremont. One in each of the residential communities of Niles, Centerville, Northern Plain, Warm Springs, and Mission San Jose, and two serving the Irvington Planning Area.

The existing Warm Springs Community Commercial area, at Warm Springs and Mission Boulevards, replaced the historic commercial center which predated the incorporation of the City. The Mowry/Blacow center in the Irvington Planning Area developed in the late 1950s and 1960s near the I-880 interchange at Mowry Avenue. Both the Mowry/Blacow and Warm Springs commercial centers are largely oriented to customers in automobiles. A Northern Plain Community Center was planned in the 1980s as part of the Ardenwood Forest New Town development on the west side of I-880. This center has not yet been constructed.

Four community commercial centers developed in the 19th and early 20th centuries as "Main Street" commercial centers of the hamlets of Irvington, Niles, Centerville and Mission San Jose. These commercial areas predate Fremont's incorporation and the post-war residential boom. Developed in a different era, each of these historic centers is unique, set apart from other commercial centers by their individual histories, singular identities and pedestrian scale. Each of these centers strives to maintain its identity and vitality in the face of competition from outlying modern shopping areas. Continuing investment is needed in each of these historic centers in order to conserve historic buildings, which give those centers their unique character. In some instances, focusing the commercial area may be beneficial. This is particularly true in Centerville. This area will soon be transformed as auto dealers located there move to a new auto mall currently under construction west of I-880.

The Warm Springs commercial area and Mowry/Blacow center are both relatively newly developed and vigorous. Warm Springs in particular has seen considerable expansion in the 1980s.

The Central Business District

From its inception, Fremont was planned to have a high intensity, traditional “downtown” area. A downtown is a concentrated clustering of retail stores, restaurants, entertainment, cultural activities, commercial services (e.g., travel agencies, insurance, banks), offices (medical, corporate, governmental), public institutions (post office, library) and urban plazas, walkways and open spaces. It is a place for people to shop, work, obtain services and find entertainment. It is concentrated enough so that people can conveniently go from business to business on foot. It is a transportation hub where different transportation modes converge for convenient local and regional access to and from the downtown.

Fremont’s Central Business District (CBD) was envisioned to be such a downtown. It was envisioned as a regional retail and office center for the entire southeast Bay area. The CBD was to be a visually distinct area with a core of attractive mid-rise buildings.

Some of that vision has been realized. In 1956 the Central Business District was mostly farmland. Today it has retail space equivalent to that of a major regional shopping center and over 2.2 million square feet of office space, comparable to many moderate sized downtowns. After many years of single story commercial development, several mid-rise commercial buildings can now be seen in the CBD. The CBD has added a cinema complex, restaurants and a major library in the adjacent Civic Center. A BART station was built and became a regional transit hub. Kaiser-Permanente is in the midst of a major building program. Significant vacant and underutilized land remains to fulfill that vision.

The development of the CBD as a “downtown” has been tempered by three constraints: deletion in the 1970’s of a freeway proposed to serve the CBD; the location of the regional shopping mall in Newark; and expansion of the land area in the CBD.

Various citizens committees such as the Telesis Strategic Plan Committee in 1988 and the General Plan Citizens Advisory Committee in 1989, have reinforced the importance of continuing to work towards achieving that original vision.

Other Commercial Areas

In addition to the hierarchy of commercial areas, there are several other types of commercial areas in Fremont meeting specialized purposes. These include the following:

- *High Volume Retail.* What is referred to in this plan as “High Volume Retail” uses have developed at Stevenson Boulevard and Albrae Avenue. This retail use has two common characteristics: large size warehouse-type floor areas and bulky goods. The high volume retail center has no vacancies and there have been applications to expand it. Significant expansion of the existing area is infeasible due to the inability to mitigate

projected traffic volumes. This area has been successful in part because of its close proximity to the freeway and its close proximity to neighboring retail areas in Newark.

- *Thoroughfare Commercial.* This use is oriented toward through-traffic and includes gas stations and restaurants serving the traveling public.
- *Retail and Commercial Services in Industrial area.* Commercial services and retail stores provide necessary services to industrial businesses and their workers. The proximity of these businesses minimize travel and congestion.

Industry

Fremont's location, growing work force and large supply of vacant land reserved for industry have helped to attract major industries to Fremont. As shown in Table 5.1, employment in Fremont's manufacturing and wholesale sector has grown by an estimated 200 percent between 1980 and 1990, with almost 8,000 jobs added during the decade. This growth is three times faster than any other sector in the City's economy. While NUMMI is the largest industrial facility in Fremont, the City has also attracted many large high-tech firms including Apple, NEXT and Everex computer manufacturing, among others. In the real estate business, Fremont is considered part of what is now called the Silicon Valley Crescent, extending from Fremont, through San Jose and around the Bay to Sunnyvale and Palo Alto. Of those cities, Fremont has the largest supply of readily developable land at prices somewhat below those found in other parts of the Silicon Valley area.

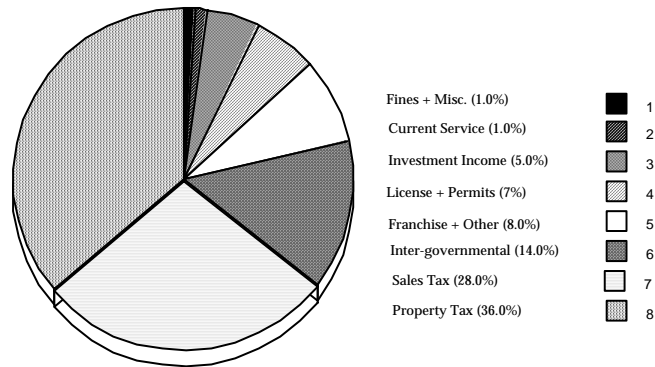
Fremont's central location in the region has also attracted major warehouse facilities to its industrial area, including a major state-of-the-art facility for the Nestle Corporation, among others.

Revenue

The City must maintain adequate revenue sources if it is to provide a satisfactory level of service to its residents and businesses. The sales tax, which is levied on the sale of retail goods, is a major sources of revenue for cities. For the 1990-91 fiscal year, projected Fremont sales taxes account for approximately 28% of total general revenues, second only to property taxes (36%) (Figure 5-1).

Property taxes are also an important source of revenue. However, while new development may create new property taxes, it also generates new service costs to the City which offset those revenues. Sales tax, by contrast, does not generally generate additional service costs. Absent sale of property (when it is reassessed) the annual increase in property taxes is limited by State law and does not keep up with the rate of inflation. Sales tax revenues, on the other hand, increase as inflation increases because they are directly proportionate to rising prices. Retail space can generate sales tax revenues many times greater than the property tax on the commercial space.

Figure 5-1
Revenue Source by Type for Fiscal Year 89-90 General Revenue



Data Source: City of Fremont Finance Department Estimates, 5/22/90

General Revenues are financial resources used for general government operations. Unlike “user tax” revenue sources such as state gas tax, general revenue sources uses are not restricted.

Inter-governmental taxes include State Cigarette Tax, State Grant for Police Training, etc. Franchise and other taxes include Hotel Tax, Garbage Franchise Tax, etc. Licenses and Permits include Business License tax, Animal License, etc. Current service taxes include Street Maintenance Fees, Hazardous Fees, etc. Fines and Miscellaneous fees such as: General Court Fees, Sale of Equipment.

Although the proportion of Fremont’s sales revenues to total revenues is higher than the Bay Area average, a recent study indicates that Fremont’s retail sales and, hence, sales revenues fall far short of their potential. The study found that, despite a strong consumer base, taxable retail sales were less than the level that could be supported by the City’s population base. This means that Fremont residents were purchasing goods and contributing sales taxes outside the City. The bulk of the outflow of consumer support was in three categories: general merchandise, “other retail” and apparel. However, in auto sales and food stores, Fremont attracted consumer support from other areas, above and beyond the support of the Fremont population.

The City has taken several actions to increase sales revenue by retaining business and encouraging the expansion of business. In 1987, the City modified land use regulations to permit the development of a high volume retail center at Stevenson and Albrae. Recently the City has been instrumental in the retention and expansion of auto dealerships through the development of an automall at Durham Road and I-880. The City has also facilitated the expansion of the NUMMI factory.

PROJECTIONS

As in the past, Fremont's economic future is largely dependent on the strength and direction of the Bay Area's economy.

Fremont continues to have a large supply of vacant industrial land (some 2,700 acres). Fremont's proximity to Silicon Valley continues to make it a good candidate for growing industries seeking room to expand. It is expected Fremont will continue to benefit from growth in the electronics and other high tech industries.

Large unsubdivided industrial parcels may help the City attract major industrial users in the future.

In regards to regional commercial growth, the location of Fremont's CBD adjacent to a BART line and transit hub makes it a good candidate for businesses seeking a convenient location for major office expansion outside of existing congested and high-cost downtown commercial areas. As Fremont's population grows, as the Bay Area economy expands, and as traffic congestion increases, more people will need to use BART and transit. The planned extension of BART to San Jose, and perhaps around the Bay, will enhance Fremont's CBD as a high intensity commercial location.

In general, Fremont is well positioned to take advantage of whatever growth occurs in existing industries, or to capture new industries as they seek places to locate in the Bay Area.

Jobs

The Association of Bay Area Governments projects strong employment growth for the Bay Area and for Fremont (Table 5-2). ABAG projects industrial development to more than double in the next fifteen years, a higher rate of growth than the County as a whole. Manufacturing employment will continue to experience the greatest rate of growth owing to expected continued growth in high tech industries. Retail and services will also continue to expand.

**Table 5-2
Fremont Job Projections by Sector**

	1990	2005	1990-2005 Change	Percentage Change
Total Employment	55,870	95,400	+39,530	+ 71%
Mfg/Wholesale	11,760	28,610	+16,850	+143%
Retail	14,200	21,080	+ 6,880	+ 48%
Services	17,030	25,820	+ 8,790	+ 52%
Other	12,010	19,400	+ 7,390	+ 62%
Ag/Mining	870	490	- 380	- 44%

Source: ABAG Projection's 90

ABAG also projects the disparity between the number of workers who live in Fremont and the number of jobs here to diminish. Between 1990 and 2005 the number of jobs is expected to double while the growth in Fremont's workforce is expected to slow. By 2005, the current imbalance of workers to jobs is projected to decrease from 1.74 to 1.24 workers for every job in Fremont.

ABAG strongly cautions that the magnitude of future economic growth may be curtailed by high regional housing costs and traffic congestion. Bay Area housing costs are considerably higher than elsewhere in the State and nation. Assuming a continuing differential, the Bay Area as a whole will have difficulty competing for certain types of industries, and especially those with a high proportion of lower paid workers, especially some service and manufacturing industries. As is discussed in the Housing Chapter, Fremont is planning for housing that meets the needs of future workers. Over three quarters of Fremont's future housing stock will be in multi-family housing styles (apartments, condominiums and townhouses) which are more affordable to the majority of new workers.

Most new single family homes will be affordable only to those with relatively high incomes. While such homes will meet the needs of executives and other higher income workers, promotion of all types of housing will be critical to ensure a diversity of housing types to meet the needs of Fremont workers.

Retail Goods and Services

The City's population will continue to increase at a rate exceeding that of the region for at least the next ten years, although slower than the City's growth rates of the past twenty years. Increases in population suggest a continuing increase in the demand for goods and services.

Over the next 15 years, the differential between the average income of a Fremont household and that of the rest of Alameda County and region is projected to increase slightly (see Table 5-3). A higher average income implies a possible shift in the consumption patterns of households as a higher proportion of Fremont residents seek luxury goods and specialized services, many of which are not readily

available in Fremont today. Expected increases in traffic congestion on the regional transportation network will also increase the demand for local goods and services.

Table 5-3
Mean Household Income

	1990	2005
Fremont	\$49,300	\$58,000
Alameda County	\$40,100	\$46,900
Bay Area	\$46,200	\$53,900

Source: ABAG "Projections 90"

Neighborhood and Community Commercial Areas

With the exception of three areas in the City, there seems to be sufficient neighborhood shopping areas to satisfy the expected limited growth in neighborhood shopping needs. Additional neighborhood shopping areas may be needed in the Warm Springs area, in Mission San Jose, and perhaps in Niles.

Fremont's existing community commercial centers have sufficient vacant and underutilized land to meet a significant amount of the increase in demand for goods and services not met by neighborhood shopping centers.

Revitalization and redevelopment of older areas is a more expensive and difficult process than developing a new center from the ground up. As a result, despite opportunities for new development in the existing community commercial centers, there will be continuing demand to expand the land devoted to all types of commercial use. However, increases in the supply of land devoted to commercial use will tend to sap the vitality of existing commercial centers and limit the potential for new investment in them.

Historic, pedestrian-oriented shopping areas elsewhere in the State and country are becoming increasingly popular as shoppers become disenchanted with the blandness of shopping malls and seek to combine shopping activities with other leisure activities. Many historic shopping areas have been able to compete with newer shopping areas because they offer a unique and pleasant shopping environment. Achieving a prosperous historic shopping area often requires considerable public and private investment. Successful historic commercial areas tend to have the following ingredients in common:

- a focused commercial area
- continuous pedestrian frontage
- comfortable outdoor areas for social gatherings
- conformance to an overall design scheme
- convenient but unobtrusive parking areas

- preserved historic buildings
- small- scale structures
- good access and visibility

Fremont's historic commercial centers have many of the ingredients necessary for success. Assistance may be needed in ensuring that the other ingredients are present, such as appropriate parking facilities and pedestrian amenities. In addition, the City will need to ensure that newer buildings complement existing historic character, and reinforce the pedestrian orientation and scale of historic areas. An overall plan for each historic area would assist in coordinating uses, maintenance and design, helping each to achieve its potential as a pedestrian-oriented community center. Fremont's historic community centers could provide a wide range of stores and goods within walking distance, and become a destination for people who enjoy shopping as a form of recreation and entertainment.

Fremont's more recently developed community commercial centers in Warm Springs and at Mowry/Blacow would also benefit from a stronger design theme and better pedestrian connections between shopping areas. Over time, a wider mix and higher intensity of use (such as more office and service uses) might assist these areas to become stronger community focuses rather than larger-than-average neighborhood shopping centers.

While projects within Newark have tried to capture the demand for convenience goods generated by the Northern Plain area, and especially Ardenwood, the Newark shopping areas do not provide the mix of goods and services envisioned for the Northern Plain community commercial center. A high quality, pedestrian-oriented mixed use (office/retail) center in this area could be an attractive alternative for workers and residents in the Northern Plain area.

Central Business District

Fremont's Central Business District is becoming the kind of regional office center originally envisioned. Office development is supplemented by growth in medical offices and uses, and governmental offices. These office uses generate their own retail market in the CBD, including restaurants, specialty retail stores, various services and other uses. The downtown once envisioned is beginning to blossom. However, the full achievement of a "downtown" is still a long-term prospect for the CBD. Achieving a downtown will require public actions to encourage and guide private development, and the provision of incentives and public amenities to continue to attract office development to Fremont.

Other Commercial Areas

High Volume Commercial. There is a perceived need for additional high volume commercial uses in Fremont. However significant expansion of the existing high volume retail area is limited by road capacity. Therefore, to expand the number of high volume retail businesses, other sites with lesser traffic impacts need to be identified and designated. The Land Use Chapter of this General Plan discusses criteria for locating such centers.

Industrial Area Commercial. As industrial development increases there will be a greater need for services supporting industries and their workers. Because of the large amount of vacant land, commercial uses are unlikely to usurp land needed for industrial development so long as commercial service businesses in industrial areas are focused on serving industry and its employees.

Industry

Fremont's large supply of available vacant industrial land is projected to continue to attract industrial development at a considerably faster rate than other types of business in the City. As shown in Table 5-2, Manufacturing/Wholesale employment is projected to grow by 143% from 11,760 jobs in 1990 to 28,610 in 2005. Much of this growth is expected in high-tech industries which want to be part of the Silicon Crescent area. Despite the high costs of living in this region, many of these businesses need to partake of the synergistic environment and supply of trained workers which is available here and critical to those businesses which want to stay on the cutting edge of this fast changing industry. Important for this industry will be maintenance of the high quality of life in this region which attracts and retains a highly trained labor force.

Fremont's role as a major distribution center for the Bay Area is also expected to grow due to its central location and convenient access to all of the Bay Area as well as the Central Valley. Critical to this growth will be improvements to the existing freeway network and good access to the City's industrial areas from the Dumbarton Bridge and the two major freeways, I-680 and I-880. Warehousing businesses also tend to use a great deal of land area per employee. Maintenance of a supply of relatively affordable land will therefore be an important concern for this industry.

Significant expansion of more traditional industries such as NUMMI is not anticipated in the Bay Area or in Fremont. However, retention (and future expansion) of NUMMI and other industries which have potential for impacts on neighbors (including noise and odors) may depend on maintaining some separation between industry and residential areas. Environmental regulations have tended to reduce the impacts of all types of industry; but many industrial users prefer to avoid the complaints and controversy which sometimes arises when industry is near homes.

Revenue

As new residential development decreases, past increases in revenues to the City from development (property tax and fees) will also decrease. Over time, as the City's infrastructure ages, the City's roads, trails, public buildings and parks will all need increased maintenance and demand an increasing share of the City's annual budget.

The City will continue to require healthy sales tax revenue to meet growing service needs. Increased revenue from sales taxes will depend on continuing City efforts to maintain and capture retail business. Efforts to revitalize existing commercial centers and to expand their attractiveness for consumers will ultimately assist the City to generate sales tax revenue. Fremont has resources in its historic commercial centers that are unique in the Bay area. Healthy, pedestrian-oriented commercial centers could attract people from throughout the sub-region to Fremont. Fremont also has a large, underutilized land resource in its CBD which can ultimately generate significantly increased sales tax revenue.

Goals, Objectives, Policies and Implementation

Fundamental Goals

The City's **Fundamental Goals** include several related to the City's economy. The following seem particularly relevant:

- F 5: A VIBRANT, WELL DEFINED, VISUALLY DISTINCTIVE CENTRAL BUSINESS DISTRICT AS THE FOCUS OF THE CITY'S GOVERNMENTAL, CULTURAL AND COMMERCIAL ACTIVITY**
- F 6: A UNIFIED CITY WITH THRIVING DISTRICTS AND EMERGING COMMUNITIES, EACH WITH ITS OWN IDENTITY**
- F 8: A DIVERSITY OF RESIDENTIAL, RECREATIONAL, CULTURAL, EMPLOYMENT AND SHOPPING OPPORTUNITIES**
- F 9: A LARGE, DIVERSIFIED INDUSTRIAL AND COMMERCIAL BASE TO MEET THE EMPLOYMENT NEEDS OF THE CITY'S PRESENT AND FUTURE WORKFORCE**
- F 10: PUBLIC SERVICES RESPONSIBLY MANAGED AND EQUITABLY DISTRIBUTED THROUGHOUT THE CITY**

Local Economy Goals

Translated into economic terms, the Fundamental Goals lead to the following three **Local Economy Goals**:

- GOAL LE 1: Increased job opportunities in Fremont for Fremont residents**
- GOAL LE 2: A strong municipal tax base**
- GOAL LE 3: A hierarchy of well-defined, vital commercial areas meeting the retail shopping, entertainment and service needs of Fremont residents**
- GOAL LE 4: A diversified industrial employment base to meet the employment needs of the City's present and future workforce.**

The strategy for achieving these goals is found in the following objectives, policies and implementation measures.

LOCAL ECONOMY (LE) GOAL 1:
Increased job opportunities in Fremont for Fremont residents

OBJECTIVE LE 1.1: A significant increase in businesses providing job opportunities for Fremont workers.

Policy LE 1.1.1: Attract new and retain existing commercial and industrial businesses.

Implementation 1: Develop an economic development strategy for commercial and industrial development. Such a strategy should focus not only on attracting new development but on facilitating the growth of existing local businesses and industries. The plan should assess the existing and projected characteristics of the Fremont workforce, and recommend possible incentives for businesses most likely to provide a high proportion of jobs meeting the needs of Fremont workers.

Policy LE 1.1.2: Consider the City's long term ability to accommodate jobs for existing and future residents prior to approving a conversion of land designated for industrial use to another use.

Implementation 1: Assess proposals for conversion of industrial land to alternative uses for their impact on the City's long term ability to accommodate employment.

Policy LE 1.1.3: Prepare revitalization and development plans for the community commercial centers consistent with preservation of their current scale and character.

Implementation 1: Each plan should include an evaluation of possible City actions that could foster and encourage economic development. Such a role could include City staff support to merchant organizations.

Implementation 2: See Land Use Chapter for additional implementation measures.

Policy LE 1.1.4: Prepare a development and design plan for the Central Business District.

Implementation 1: The plan should include an evaluation of possible City actions that could foster and encourage economic development. Such a role could include City staff support.

Implementation 2: See Land Use Chapter for additional implementation measures.

Policy LE 1.1.5: Expand commercial areas only when there is a demonstrated need for additional commercial land.

Implementation 1: See Land Use Chapter for implementation measures.

LOCAL ECONOMY (LE) GOAL 2:
A strong municipal tax base

OBJECTIVE LE 2.1: **An increased number of industrial and commercial businesses generating revenues to the City.**

Policy LE 2.1.1: Attract and retain those commercial and industrial businesses generating revenues to the city relative to their costs to the city.

Implementation 1: With the cooperation and involvement of the business community, develop an economic development strategy, identifying potential revenue generators within the City's market segment and City actions available to attract and retain such businesses. The strategy should consider the potential to offer incentives to attract targeted businesses while maintaining other General Plan land use, urban design, environmental and transportation goals.

Policy LE 2.1.2: As a major source of property tax, sales tax and labor supply, ensure a continuing supply of industrial and commercial property.

LOCAL ECONOMY (LE) GOAL 3:

A hierarchy of well defined, vital commercial areas meeting the retail shopping, entertainment and service needs of Fremont residents

OBJECTIVE LE 3.1: Viable neighborhood shopping centers meeting the daily convenience shopping needs of City residents.

Policy LE 3.1.1: Allow for neighborhood shopping centers of sizes and locations that maintain both choice and convenience for shopping as well as sufficient trade area buying power to support quality design, maintenance and merchandising.

Implementation 1: As part of a periodic General Plan review, assess the adequacy of the size and location of designated neighborhood commercial land in developing residential areas. Identify potential areas for redesignation as neighborhood commercial.

Implementation 2: As part of a periodic General Plan review, identify underutilized commercial areas and, where appropriate, recommend alternative land uses.

Implementation 3: For any General Plan Amendment application seeking to expand or create a neighborhood shopping center, require provision of a market study by the applicant. The Study should consider the potential for pre-existing commercial areas to serve the expected market area, as well as the potential for the projected market area to support the proposed uses.

OBJECTIVE LE 3.2: Thriving community commercial centers whose function is to provide a wide range of goods in a focused, identifiable, pedestrian oriented commercial area.

Policy LE 3.2.1: Actively promote the revitalization of existing community commercial centers, drawing on the unique and historic features of each community.

Implementation 1: See Land Use Chapter for implementation measures.

Policy LE 3.2.2: Actively promote the development of distinct identities for the newer and planned community commercial centers.

Implementation 1: See Land Use Chapter for implementation measures.

Policy LE 3.2.3: Encourage the location of businesses which by their scale and character are suited to pedestrian-oriented centers.

Implementation 1: See Land Use Chapter for implementation measures related to design and development plans for each commercial center. Plans for these centers should evaluate the role of the City in fostering appropriate economic development consistent with the plan.

OBJECTIVE LE 3.3: The Central Business District (CBD) as the City's principal specialty-retail, regional office, entertainment, government and cultural center.

Policy LE 3.3.1: Focus commercial development opportunities in a well defined, pedestrian and transit oriented high intensity core area near the Fremont BART station.

Implementation 1: See Land Use Chapter for implementation measures.

OBJECTIVE LE 3.4: Higher intensity commercial uses near CBD and Irvington BART Stations.

Policy LE 3.4.1: Permit the highest intensities of commercial use (including hotels) in the CBD within convenient walking distance of the BART Station.

Implementation 1: See the Land Use Chapter for implementation measures.

Policy LE 3.4.2: Encourage medium intensity commercial and office areas around the Irvington BART station, consistent with the scale and character of the Irvington area.

Implementation 1: See the Land Use Chapter for implementation measures.

OBJECTIVE LE 3.5: High-volume retail shopping opportunities (such as home-improvement) for Fremont residents.

Policy LE 3.5.1: Provide high-volume retail shopping opportunities in concentrated centers within close proximity to freeway access.

Implementation 1: See the Land Use Chapter for implementation measures.

OBJECTIVE LE 3.6: Retail and commercial services in the industrial area (areas designated for industrial use), directly serving and compatible with industrial employers and employees.

Policy LE 3.6.1: Provide retail and commercial services areas in industrial area to serve industrial employers and employees.

Implementation 1: See the Land Use Chapter for implementation measures.

LOCAL ECONOMY (LE) GOAL 4:
A diversified industrial employment base to meet the employee needs of the City's present and future workforce.

OBJECTIVE LE 4.1: A significant increase in industrial employment and in the diversity of industries in the City.

Policies:

See Local Economy Goal 1 and Land Use Goal 3 for policies and implementation measures related to achieving this objective.